(a) what is the total investment made by the Central Government in Punjab in the small and medium scale industrial units during the last three years;

(b) what is the total investment made by Government in the state during the Eighth Five Year Plan period in comparison to Seventh Five Year Plan period in this respect; and

(c) what effective measures are being taken by Gevernment to increase the small and medium scale industries for creation of more jobs for people in the State?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) Investment in Central Public Sector Enterprises in the State of Punjab in medium and large industries in terms of Gross Block during the years 1990-91, 1991-92 and 1992-93 was Rs. 875.57 crores, Rs.941.49 crores and Rs. 1230.89 crores, respectively. The Government of India do not make any direct investment in the small scale industries. The investment is made by the entrepreneurs themselves with the assistance from financial institutions and banks.

(b) Central Government investment outlay in the Heavy and Medium Public Sector Industries in Punjab during the Seventh and Eighth Five Year Plans was Rs. 88.31 crores and Rs. 43 crores, respectively.

(c) The Government of India implements Plan schemes in small scale sector which includes export promotion, self-employment scheme for educated unemployed youth/prime Minister's Rojgar Yojana, tool rooms and training schemes, etc. The decision of investment in medium scale industries is taken on the basis of techno-economic feasibility, availability of resources together with balanced regional development.

Setting up of PSUs in Jalandhar and Kapurthala

3972. SHRI IQBAL SINGH : Will the PRIME MINISTER be pleased to state :

(a) whether Government have any proposal under their consideration for establishment of Public Sector/Government Units in Jalandhar and Kapurthala in Punjab during the Eighth Five Year Plan period;

(b) if so, the details thereof and if not, the reasons therefor ; and

(c) what measures have been taken for establishment of adequate Public Sector Units in Punjab ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) to (c) At present there is no proposal to sanction any new public sector projects/schemes in Central Sector during 8th Five Year Plan in Jalandhar and Kapurthala in the State of Punjab. Setting up of new project or expansion of existing projects/schemes in the Central PSEs are decided keeping in view the techno-economic feasibility of the projects and availability of resources, together with balanced regional development of the country.

Functioning of SSI units

3973. SHRI SURESH PACHOURI : Will the PRIME MINISTER be pleased to state :

(a) whether Government are considering a number of steps to tone up the functioning of small scale industries, including de-reservation of items and exit policy to tackle the problems;

(b) if so, whether any concrete formula in this regard has been evolved;

(c) if so, the details thereof; and

(d) what is the extent to which the functioning of small scale industries has been improved?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) to (c) The role of Small Scale Sector in the development of economy of India has been fully recognised by the Govt. The development of small scale industries has been therefore receiving high priority in the programmes of industrial development of the country and increasing the flow of assistance to the sector has been one of the salient features of the policy of the Government.

The Industrial Policy of 1991 has laid stress on competitiveness, technology upgradation, modernisation and quality control. The role envisaged for the small scale sector in the liberalised industrial climate has been spelt out in the separate policy measures for promotion and strengthening of small, tiny and village industries sector laid in the Parliament on 6th August, 1991.

The Government is following a policy of reservation of items for exclusive manufacture to encourage the growth of the small scale sector. The Government has adopted a pragmatic policy of reviewing the items that has been reserved. Reservation and de-reserveation of items is a continuous process and suitable action is taken whenever the situation so demands.

The Government have not laid down any policy which can be termed as 'Exit Policy' in respect of the small scale sector.

(d) As a result of an institutional frame work and active policy support provided by the Government, the small

scale sector has grown rapidly over the years. The number of small scale units has increased from an estimated 8.74 lakh units in the year 1980-81 to an estimated 22.35 lakhs in the year 1992-93. The small scale sector accounts for about 35% of the total industrial output and contributes about 45% to the total exports of the country taking into account both direct and indirect exports.

Decline in growth rate of manufacturing industries

3974. SHRI SURESH PACHOURI: Will the PRIME MINISTER be pleased to state :

(a) whether it is fact that there was sharp decline in the growth rate marked by the performance of manufacturing industries including food production, textile production, electrical machines and transport equipment during April-June, 1993 ;

(b) if so, whether these industries have a total investment of 23% in manufacturing activities which in turn account for 77% in the industrial production index ;

(c) if so, what are the main reasons for sharp decline in growth rate of manufacturing units; and

(d) what steps Government propose to take for the manufacturing units to improve growth rate?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) and (b) A statement is enclosed, (*See* below).

(c) The performance of the industrial sector, during the last two years was affected by demand constrains in general, and the short run impacts of stabilisation measures adopted in the wake of severe balance of payments crisis during 1991.

(d) Policy initiatives taken in the New Industrial Policy in July, 1991, the Trade Policy and supporting fiscal and monetary measures announced in the subsequent Budgets are all aimed at accelerating the growth of the industrial production and improving their international competitiveness.

Statement

Index of Industrial Production (*base* : 1980-81 = 100)

Code Group	Industry Group	Weight	% change Apr,—Dec. 1993-94
20—21	Food Products	5.3270	—9.1
22	Beverage, tobacco & products	1.5710	12.0
23	Cotton Textiles	12.3090	7.4
25	Jute, hemp & mesta textiles	1.9990	13.4
26	Textile Products	0.8170	—7.0
27	Wood & wood pdts. & furnt. & fixtures	0.4480	7.0
28	Paper & paper products	3.2350	4.6
29	Leather & fur products	0.4890	7.2
30	Rubber, plastic, petroleum & coal products	4.0000	—0.1
31	Chem. & Chem. Products	12.5130	6.8
32	Non-metallic mineral	2.9990	2.6
33	Basic metals alloy industries	9.8020	5.3
34	Metal products & parts	2.2880	1.5
35	Machinery, mechine tools & parts	6.2400	4.1
36	Electrical machinery	5.7790	—10.5
37	Transport equipment & parts	6.3860	4.9
38	Other Manufacturing Industries	0.9050	—1.6
Div. 2-3	Manufacturing	77.1070	1.8
Div. I	Mining & Quarrying	11.4640	—0.2
Div. 4	Electricity	11.4290	7.3
	Overall Index	100.0000	2.4